

**OFFICIAL FILE
ILLINOIS COMMERCE COMMISSION**

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

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COMMERCE COMMISSION

JUN 4 1 15 PM '01

CHIEF CLERK'S OFFICE

LATESSA SALONE,
JANET DEMARINIS,
ANDREA RAILA,
PAT QUINN, and
the petition signers of
the CUSTOMER UTILITY
CONVENTION

Petitioners.

Petition to the Members of the
Illinois Commerce Commission
Pursuant to Section 5-145 (b), 5-35, and 5-45 of
the Illinois Administrative
Procedure Act

01-321

RESPONSE BRIEF OF THE PETITIONERS

During the worst utility bill crisis in state history when thousands of customers are facing imminent disconnection of their gas service because of accumulated bills from last winter's cold weather and are now facing disconnection of their electricity at the outset of this summer's hot weather, the Petitioners have asked this Commission to recognize an imminent threat to public health and safety in Illinois and promulgate an emergency rule to prevent gas and electric utilities from disconnecting vulnerable customers during the pendency of this crisis.

The current situation is life-threatening to many Illinois gas and electric customers, especially senior citizens and infants, who live in households which have been financially exhausted by the unprecedented increase in natural gas bills during the

2000-01 heating season. Contrary to the blithe assertions of respondent utility Ameren, the emergency caused by last winter's skyrocketing heating bills is not over for thousands of low-income consumers in Illinois. Indeed, the devastating impact of back-breaking winter natural gas bills has put thousands of these customers in jeopardy of not only losing their gas service, but also their electric service because of financial hardship.

The current emergency has been exacerbated by bureaucratic and legislative delay which has slowed delivery of promised emergency energy assistance to thousands of desperate low-income Illinois residential consumers who are eligible for such assistance and are presently on waiting lists for delivery of funding.

In the Commonwealth Edison service region, for example, there are presently 15,630 households which are LIHEAP-eligible, but are waiting for promised government funding of their energy assistance grant. In the city of Chicago, there are 21,507 households eligible for a gas or electric energy assistance grant which is awaiting legislative appropriation. In the Cook County suburbs, there are 9143 eligible households currently waiting for funding of a LIHEAP gas or electric energy assistance grant.

In addition, a new supplemental emergency energy assistance program called the Customer Arrearage Reduction Program (which was proposed by the City of Chicago and Peoples Gas on March 27, 2001) still is not ready on June 1, 2001 to accept applications from low-income residential consumers in distress, including senior citizens and disabled citizens.

It is particularly ironic that Peoples Gas would indicate a lack of corporate awareness of the long waiting lists for LIHEAP assistance in its response to the Petitioners' Motion for Leave to File a Second Amended Petition for an Emergency Rule.

On April 12, 2001, Richard Terry, Chairman of Peoples Gas, told a Chicago City Council Committee that the company would not shut off any LIHEAP-eligible customer before June 1 because of legislative delay about LIHEAP funding in Springfield and Washington concerning LIHEAP funding.

Indeed, on April 17, 2001, Chairman Terry and Peoples Gas committed to a Customer Agreement (see Exhibit A) that would protect LIHEAP-eligible customers from arbitrary shutoff during this period of uncertainty. Now, as June 1 approaches and the LIHEAP funding snafu continues, Peoples Gas claims it is unaware that thousands of low-income natural gas customers in its service region and across the state are desperately waiting for energy assistance grants which have been promised but not delivered.

The emergency rule proposed by the Petitioners is not intended to apply only to Peoples Gas, however. Petitioners ask this Commission to take official notice of House Resolution 102 (see Exhibit B) unanimously approved by the members of the Illinois House of Representatives and calling upon the Illinois Commerce Commission to conduct hearings into the meter reading and billing practices of all gas utilities in Illinois and to report its funding and recommendations to the General Assembly by October 1, 2001.

Serious questions about the accuracy of customer meter readings and estimated bills have been raised by the news media and customers themselves in every part of Illinois. False meter readings and inaccurate estimated bills by natural gas and electric companies have greatly added to the burden of Illinois gas and electric customers who are seeking to resolve bills with the companies before having their service disconnected.

The Petitioners believe that all gas and electric customers who are financially able should pay their gas and electric bills, but the Petitioners join with the members of the General Assembly in demanding that gas and electric meter readings and estimated bills be accurate. Respondent utility Ameren asserts that the threat of disconnection provides a strong incentive for customers to pay their heating bills. In response, Petitioners point out that when a gas or electric utility uses the threat of disconnection to force a customer to pay a bill which has a false meter reading or inaccurate estimated usage, the utility is violating its fundamental legal duty of fair dealing with the customer.

In the instant case, there are unique circumstances in 2001 to justify the adoption of an emergency rule to prevent Illinois gas and electric utilities from indiscriminately shutting off gas and electric service to thousands of low-income customers during the upcoming summer months and until October 28, 2001.

In 1995 and 1998, Illinois confronted severe heat waves during the summer which forced electric customers to use record amounts of electricity for air-conditioning, fans, and other cooling devices. In 1995, more than 500 vulnerable people -- mostly elderly, disabled, or low-income citizens -- died during the heat wave in large part due to their financial inability to pay for electricity and cooling devices.

In the instant case, many low-income gas and electric customers are still reeling from their enormous winter heating bills and may find themselves in life-threatening circumstances between June 1, 2001 and October 28, 2001 because they can not afford to pay their gas or electric bill and face disconnection of both utility services during a summer heat wave.

Contrary to the claims of Respondent Utility Ameren, this Commission can reasonably find that the current circumstances constitute a threat to the public interest, safety, and welfare (5 ILCS 100/5-45) to justify adoption of the emergency rule proposed by the Petitioners. The emergency relief sought by the Petitioners is specifically tailored to apply to all residential gas and electric customers across the state who find themselves in dire straits in large part due to government bumbling and utility bungling. Emergency energy assistance to low-income gas and electric customers in Illinois is a statewide program administered by an agency of state government and applicable to all gas and electric utilities in state.

This Commission should resist the invitation of respondent utility Ameren to limit emergency relief to Chicago-area utilities. Instead, this Commission should exercise its emergency rule-making powers to recognize the unique factual circumstances of the winter heating season of 2000-01 and the subsequent summer heating season of 2001 and protect vulnerable gas and electric consumers from indiscriminate service disconnections by utilities which are supposed to serve them.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Patrick Quinn".

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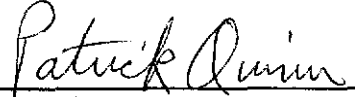
NOTICE OF FILING

To: Service List

Please take notice that on the 1st day of June, 2001, I filed with the Chief Clerk of the Illinois Commerce Commission via United States mail postage prepaid the Response Brief of the Petitioners, a copy of which is hereby served upon you.

CERTIFICATE OF SERVICE

I, Pat Quinn, hereby certify that I served the Response Brief of the Petitioners to all parties listed on the attached service via email, fax, personal delivery, and United States mail, postage prepaid this 1st day of June, 2001.


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